

WASHINGTON (July 9) – The House today voted overwhelmingly to approve bipartisan legislation eliminating a regulatory provision that has become the source of frivolous lawsuits aimed at operators of automated teller machines (ATMs).

A regulation issued under current law requires a sign notifying consumers about transaction fees to be attached to ATMs in addition to a separate notice that appears on the machines' screens. This redundant regulatory requirement has spawned lawsuits by unscrupulous plaintiffs and vandals who remove the sign so they can then sue the ATM operator for being in violation of the law.

“As the number and the costs of these nuisance lawsuits rise, so does the likelihood that ATM operators will have to raise fees or reduce the number of ATMs in places where this vandalism has occurred,” said Congressman Spencer Bachus (AL-6), Chairman of the House Financial Services Committee. “Failing to stem the tide of these lawsuits threatens consumers’ convenient access to their money.”

The bill, H.R. 4367, was introduced by Rep. Blaine Luetkemeyer and co-sponsored by Rep. David Scott, both of whom serve on the Financial Services Committee. It picked up more than 100 other Republican and Democratic co-sponsors before its approval by the House on Monday. The Financial Services Committee had earlier approved the bill on a voice vote.

The legislation would still require ATMs to maintain the on-screen notice about fees and provide consumers with the ability to decline those fees and terminate the transaction.

*For video excerpt of Congressman Bachus’ floor remarks, [click here](#).*